

MINUTES OF MEETING

The 335th meeting of the Rhode Island Student Loan Authority was held on Friday, April 15, 2016 in the 2nd Floor Conference Room, 560 Jefferson Boulevard, Warwick, Rhode Island.

Members in attendance:

Ms. Christine Barnes Jenkins

Mr. Robert Theroux

Ms. Beatrice Lanzi, Designee of the General Treasurer, State of RI

Ms. Sandra Mack, Esq.

Member Absent:

Mr. Robert J. Delaney

Mr. Daniel Egan

Others in attendance:

Mr. Charles Kelley

Mr. Noel Simpson

Ms. Jennifer Dutch

Ms. Debbie Machowski

Ms. Lindie Thibodeau-Johnson

Mr. Joseph Palumbo

Ms. Kelly Carpenter

The meeting was called to order at 8:35 a.m. by Ms. Jenkins, Vice Chairperson.

Upon a motion made by Ms. Mack and seconded by Mr. Theroux, it was unanimously

VOTED to approve the minutes from the March 18, 2016 Board of Director's Meeting.

Chairman's Report

Ms. Jenkins discussed the College Planning Center initiatives regarding changes to the FAFSA which borrowers can now begin filing as early as October 1.

Executive Director's Report

Mr. Kelley updated the board on the status of the build out and furnishing of the new offices. He noted that RFP's for electrical and data networking have been issued and were due today and he is anticipating occupancy in late June.

Review Status of Pending Bond Issue

Mr. Kelley discussed the status of the bond issue. He stated that RISLA will be issuing \$55 million in bonds. The US Treasury issued guidance this past November that expanded the use of tax exempt bond funds for parent and refinancing, loans, however due to some uncertainties with the guidance, RISLA is

only able to finance a portion of refinancing loans with tax exempt bond proceeds which has resulted in a smaller bond issue.

Student Loan Repayment Initiatives

Mr. Kelley noted that some employers, most notably are beginning to help their recent hires pay off their student loans. This is being viewed as a hiring and retention tool as Millennials value paying off their student loans more than they do retirement benefits. Mr. Kelley explained that RISLA currently administers a similar program for the RI Foundation for primary care physicians, nurse practitioners. After further Board discussion, it was decided that RISLA should move forward with the development of a similar program for Rhode Island employers.

Results of Furniture RFP

Ms. Thibodeau-Johnson reviewed the bids received from four dealers: Office Direct, Sheehans, Pannello, and WB Mason. After reviewing the bids and with the use of some of the existing furniture, the staff recommended ordering cubicles from WB Mason, seeking alternative options for individual offices, and purchasing separately Board Room chairs and guest chairs for individual offices. A discussion ensued about the purchase needs for the new space. Mr. Kelley recommended a reduction in the overall amount to be spent for office furniture.

ACTION ITEM: Selection of Vendors for New Office

Upon a motion made by Mr. Theroux and seconded by Ms. Mack, it was unanimously

VOTED to authorize the expenditure of up to \$199,000 for new cubicles and certain office furniture from the vendors who submitted bids as determined by the Executive Director.

Customer Survey Results

Ms. Thibodeau-Johnson reviewed RISLA's customer survey results with the Board and stated that they are significantly more positive than last year.

Topics for Next Board Meeting

Mr. Kelley listed a couple of items for discussion at upcoming board meetings including a demonstration of a mobile App that was developed in house for the Bridge.jobs internship program and the election of officers. The May Board meeting may be earlier than normal so that the Board may award the contract(s) for the wiring and electrical work in the new offices to avoid any unnecessary delay in occupancy. .

CFPB Compliance Update

Mr. Simpson gave an update on complaints filed by consumers with the CFPB. He stated that CFPB has received only one additional complaint since the last update given to the Board which involved a late fee charged by RISLA on a borrower's delinquent account.

Audit Subcommittee Update

Mr. Theroux reported on the audit subcommittee meeting that was held on March 18, 2016. He said the committee discussed the SOC 1 Report for which the Independent CPA firm Berry Dunn found no exceptions during their testing and was therefore able to issue a "clean" audit report. He also reported that the committee voted to accept the December 31, 2015 financials.

Upon a motion made by Ms. Lanzi and seconded by Mr. Theroux, it was unanimously
VOTED to adjourn at 9:40 a.m.

Mr. Robert Theroux
Secretary